

Introduced by Senator HernandezFebruary 19, 2014

An act to add Section 14132.103 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 1081, as introduced, Hernandez. Federally qualified health centers.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law provides that federally qualified health center (FQHC) services, as described, are covered benefits under the Medi-Cal program, to be reimbursed, to the extent that federal financial participation is obtained, to providers on a per-visit basis. "Visit" is defined as a face-to-face encounter between a patient of an FQHC and specified health care professionals.

This bill would require the department to authorize a 3-year alternative payment methodology (APM) pilot project for FQHCs that would be implemented in any county and FQHC willing to participate. Under the APM pilot project, participating FQHCs would receive capitated monthly payments for each Medi-Cal managed care enrollee assigned to the FQHC in place of the wrap-around, fee-for-service per-visit payments from the department. The bill would require, except as specified, that an evaluation of the APM pilot project be conducted by an independent entity within 6 months after the APM pilot project is completed, and that the independent entity report the findings to the department and the Legislature.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14132.103 is added to the Welfare and
2 Institutions Code, to read:
3 14132.103. (a) Notwithstanding any other law, the department
4 shall authorize a three-year alternative payment methodology
5 (APM) pilot project for federally qualified health centers (FQHCs)
6 in accordance with this section.
7 (b) The APM shall be implemented in any county and FQHC
8 willing to participate.
9 (c) Under the APM pilot project, participating FQHCs shall
10 receive capitated monthly payments for each Medi-Cal managed
11 care enrollee assigned to the FQHC in place of the wrap-around,
12 fee-for-service per-visit payments from the department.
13 (d) The APM shall include all necessary protections and
14 safeguards for both the FQHCs and the health plans to ensure that
15 neither are financially harmed by the implementation of the APM,
16 which includes both rates and number of enrollees assigned.
17 (e) Within six months after the APM pilot project is completed,
18 an evaluation of the pilot project shall be conducted by an
19 independent entity that takes into consideration payment adequacy,
20 delivery system transformation, and quality measures. The
21 independent entity shall report its findings to the department and
22 the Legislature. An evaluation pursuant to this subdivision shall
23 be completed only if there are nonstate General Fund moneys
24 available for this purpose.
25 (f) The department shall seek any federal approvals necessary
26 for the implementation of this section.

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